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INTELLIGENCE MEMORANDUM

The Mood in EgyptSadat as Arab Leader

Disengagement on the Syrian front is in many ways a more significant development for President Sadat than was the same agreement on Egypt's own front. The Syrian accord has confirmed a policy Sadat initiated and pursued against considerable odds--

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Sadat has never shared the extremism of Arab politics, but even he came only gradually to accept the necessity for flexibility, to recognize that the furtherance of any state's interests depends largely on its own actions, and to compromise lofty goals to the realities and exigencies of world power politics-- to see, in short, the gray areas rather than only the black and the white.

Sadat has not acted or talked as an Arab is expected to act and talk, either by the non-Arab world or by the Arabs themselves. "Here in Egypt," he recently told a Time magazine interviewer, "we are now using language (and) trying to convince our brothers to adopt methods that can be understood in the whole world."

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The situation Sadat faced in the period between the Egyptian and the Syrian disengagement accords highlights the dangers of the course he has set. Sadat was portrayed by his critics, Soviet and radical Arab, as a traitor ready to pursue his own and US interests at the expense of the Arab cause; he was in increasing danger of becoming seriously isolated in the Middle East. He nonetheless showed himself able to gauge the Arab temper, to take the measure of his opponents and modulate his actions accordingly.

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More recently, Libya and the Soviets have been the villains. Sadat feared that Moscow and Tripoli were impeding the progress of Syrian-Israeli disengagement negotiations, that Libya was attempting to undermine his position in Egypt, and that the two were working in concert to discredit him among the Arabs. Sadat lost nothing by characterizing the Soviets, in the tone of voice Arabs can best understand, as allies who cannot be depended upon in war and therefore should not be relied upon in negotiations. His portrayal of President Qadhafi as the worst enemy of Libya's own cherished unity plans won him no black marks among the majority of Arabs, who regard the Libyan as an eccentric, if not a madman. In both cases, Sadat's propaganda undercut the propaganda Moscow and Tripoli were directing against him.

Despite his adroitness in carrying off a policy that is essentially foreign to most Arabs and despite the fact that he now has in President Asad an ally

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who speaks the new language he is attempting to press on his colleagues, Sadat still faces much opposition among Arabs who see his policy as inimical to their interests. He will face the same dangers when the next stage of negotiations begins, with something less than the stature he enjoyed immediately after the Egyptian-Israeli disengagement in January.

At that point, the memory of Egypt's accomplishments in the war was fresh, and no Arabs could raise their voices above the euphoria created by military success against the Israeli enemy. Arab memories have since shortened, however, in the face of Sadat's willingness to compromise with that enemy and his noticeable relaxation of Egypt's military posture.

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25X6 [REDACTED] The number of Arabs who remain unconvinced by Sadat's policy and ready to fight it has been diminished, but those Arabs who oppose him still comprise a potent force for disruption.

Sadat as Domestic Leader

Sadat has begun what he calls a new era in Egypt, and the Egyptians like it. He faces some opposition, but none that threatens him. The same careful maneuvering of people and adroit use of public relations that characterize his dealings with other Arab leaders have served him to even better advantage internally. Egyptians are essentially Egypt-firsters, and in general they welcome the massive reconstruction program and the promise of relief from chronic economic ills that the war and negotiations have brought.

To some in Egypt, Sadat's domestic policies have seemed to be moving too rapidly away from the strict brand of socialism that Nasir espoused or too rapidly toward the capitalist and foreign economic influences that Egyptians fear from past experiences. Sadat and his advisers have been flexible enough to moderate their policies and their propaganda, however, and to

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make it clear that the state's basic socialism is not being abandoned. Potential foreign investors and the Egyptians who look on them with suspicion have both been assured that Egyptians and not outsiders will control the economy.

Where concentration on domestic development programs has raised fears that Sadat intends to press no further to regain territory occupied by Israel, Sadat has adjusted his public relations to give equal importance to the dual "battles" of liberation and reconstruction. He has pledged to retain the prime ministership, which he assumed last year in preparation for the war, until "the last Israeli soldier has departed Egyptian territory," and the man most closely identified with domestic economic policy, First Deputy Prime Minister Hijazi, has also been the man most often used to remind the Egyptians that reconstruction has not diverted attention from military preparedness.

Sadat is a restless policymaker, and he has gone through numerous cabinets during his almost four years in office. For the most part, these reorganizations have reflected policy changes from pro-Soviet to anti-Soviet to pro-US, from concentration on war to concentration on reconstruction. In the process, he has rid himself of advisers and ministers whose ambitions seemed to threaten his own position. The bulk of Sadat's ministers and advisers are non-political specialists whose loyalty is attested by their durability.

Among a long series of ministers in various fields who have essentially been followers of Sadat rather than powers in their own right, Foreign Minister Fahmi stands out as a man of considerable independence, basically in agreement with Sadat's foreign policies but strong enough to influence them.

[REDACTED] Fahmi has been chiefly responsible, for instance, for toning down the anti-Soviet propaganda campaign that Sadat launched a few months ago and has seemed reluctant to end.

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caused clashes with others of Sadat's advisers; they have also effectively excluded him from the conduct of foreign relations with other Arabs. When Fahmi took over the Foreign Ministry during the war, he made it clear that he intended to be, [REDACTED] foreign minister in fact as well as in name; he succeeded, winning the confidence of both Sadat and Western diplomats, and Sadat's former national security adviser Hafiz Ismail was pushed aside.

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It was another story with the Arabs. Fahmi's air of informality and his "Western" insensitivity to the Arab sense of decorum grate on Arab leaders. Although Sadat has usually been his own foreign minister in dealings with his Arab counterparts, he has had fewer of these direct contacts of late because of the uncertainty of his position during the Syrian-Israeli disengagement negotiations. The job of handling the Arabs has fallen in this period not to Fahmi but to Ashraf Marwan, an adviser who has been close to Sadat since he became president.

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The Outlook

There is presently a mood almost of euphoria in Egypt that is dangerous simply for its intensity and the high expectations it has created. Most Egyptians feel, in fact expect, that a complete Israeli withdrawal from the Sinai is ultimately assured, that reconstruction will bring an end to severe economic ills, and that the US will be the salvation of Egypt in both areas. Sadat's own eager promises that this can be accomplished, as well as the admiration engendered by what both he and Secretary Kissinger have thus far accomplished, have raised expectations, and both Sadat and the US will be in trouble if the promises are not fulfilled.

Some Egyptians still oppose Sadat's move toward the US, and more object to the speed with which this has occurred. The vast majority, however, are for the present exultant over the change and the prospects it offers--to the point even that Egyptian children are being named after Secretary Kissinger. Egyptians have always, even at the lowest point in the relationship, felt an affinity for Americans that contrasts markedly with their feelings for the Soviets whose presence has been so prominent in Egypt. Egyptians are a warm people, bourgeois in outlook, with a sense of humor and an expectation that foreigners in their country will treat them as equals. The Soviet advisers in Egypt have been dour and aloof [REDACTED] The Americans have not.

The future of the relationship and of Sadat himself will depend not on what Sadat and the US do so much as on the temper of the Arab world as negotiations proceed. Sadat has in the past turned on the US at times when his own choice was to pursue the relationship but when his instincts told him that his position as an Arab leader and an Egyptian leader could not sustain the compromises entailed. He has less need for such posturing now; no matter how much the memory has waned, no matter how much radical Arabs choose to ignore it, Sadat served the Arab cause as no other Arab has by starting a war and then a negotiating process that has regained Arab territories. This gives him immeasurable strength against his opponents.

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But, as the difficult period between the Egyptian and the Syrian disengagement agreements exhibited, he is still not strong enough to carry it off alone. Had the Syrian-Israeli negotiations failed, Sadat would have been faced with the stark choice of declaring full solidarity with the Arabs or of throwing in with the US and negotiating a separate peace with Israel

He may again be faced with this choice as the negotiations grow more complex. He would lose a great deal by opting either way.

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